

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Detroit Chassis LLC Formerly Trumack

Michigan Manufacturing Technology Center

Detroit Chassis "Leans" Their Way to Success

Client Profile:

Detroit Chassis, LLC (DCP) assembles complete chassis for specialty vehicles, from large motor homes and buses to smaller electric and conventionally powered vehicles. DCP also builds highly complex major subassemblies, including engines and wheel and axle systems. The company employs 200 people at its facility in Detroit, Michigan.

Situation:

DCP established a mission to embrace an enterprise-wide Lean transformation in order to add new customers and dramatically increase performance, efficiency, knowledge and profitability. The company contacted the Michigan Manufacturing Technology Center (MMTC), a NIST MEP network affiliate, for help.

Solution:

DCP participated in the Economic Development Job Training Program (EDJT) which was sponsored by the Michigan Economic Development Corporation (MEDC). MMTC delivered a series of operational training and consulting programs which included the ISO/TS 16949 certification program, Advanced Product Quality Planning (APQP), and Statistical Process Control (SPC) training. Implementing process improvements technology derived from Lean Champion and Lean Office training has empowered the company to capture a larger market share in niche vehicles. MMTC also provided Six Sigma training for designated staff, making it possible for Detroit Chassis to sustain their continuous improvement initiatives. Improved market share from these initiatives has resulted in growth and the creation of additional jobs.

MMTC trained DCP associates in waste identification, 5S, process mapping and visual management with respect to safety, quality and productivity. Over 200 safety proposals were generated and 95 percent were implemented, and more than 750 process improvement ideas were generated with 100 percent being implemented. The Lean transformation continues today with the generation of an additional 1,050 process improvement proposals. The innovative DCP process, stressing efficiency, optimized workflow and enterprise-wide Lean adoption, allowed the company to capture and retain motor home chassis manufacturing volume that had previously been located in Mexico.

Results:

- * Increased sales from 17 percent to 20 percent.
- * Realized annual savings of \$515,000 and one-time savings of \$150,000.
- * Increased proposals by 28 percent.
- * Reduced warranty cost by 25 percent.
- * Achieved over 400 injury-free days.

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Testimonial:

"Our company was in need of a huge paradigm shift and we didn't know how to do it. We identified Michigan Manufacturing Technology Center as the place to receive training in the tools and tactics that were needed. The results have been profound. We have been able to reduce our warranty cost by 25 percent per year over the past

three years by implementing the tools that we acquired from MMTC Lean training.

An unanticipated outcome but clearly an added benefit was the networking opportunity the DCP associates were exposed to during MMTC training seminars. Learning how others are handling opportunities was as valuable as learning the tools and tactics."

Michael Guthrie, President and CEO